



**cim alto minho**  
comunidade intermunicipal do alto minho



**area alto minho**  
agência regional de energia e ambiente

## **MLEI GLEE AM – Alto Minho (PT)**

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galvanizing local energy efficiency in Alto Minho

May 2014



### Consortium:

- **Coordinator:** Comunidade Intermunicipal do Minho-Lima (CIM Alto Minho)
- **Partner:** Agência de Energia do Alto Minho (AREA Alto Minho)



### Final Beneficiaries:

Municipalities of:

Arcos de Valdevez | Caminha | Melgaço  
| Monção | Paredes de Coura | Ponte  
da Barca | Ponte de Lima | Valença |  
Viana do Castelo | Vila Nova de  
Cerveira

**All 10 municipalities** of the Alto Minho region:

- are signatories of the **Covenant of Mayors**;
- carried out their territory's **Baseline Emission Inventory (BEI)**;
- elaborated a **Sustainable Energy Action Plan (SEAP)**.

Through the BEIs, it became clear that:

- on average, **almost 67% of the electricity consumption under municipal management was due to municipal public lighting**;
- **sports facilities**, namely swimming pools and sports pavilions, **were the most energy consuming buildings under municipal management**, in fact they represent over 41% of the total municipal buildings' energy consumption;
- a strategy aiming to reduce Alto Minho's CO<sub>2</sub> emissions by at least 20% until 2020 **had to incorporate measures addressing both these sectors**.

## MLEI-PDA opportunity

Because MLEI-PDA aims to:

- foster public authorities commitments in achieving the EU's ambitious 2020 climate change and energy targets;
- respond to the challenge to make bankable sustainable energy projects for small and medium-sized authorities;
- overcome the lack of technical capacity and limited public resources to develop investments in the field of renewable sources, energy efficiency and sustainable mobility.

Through MLEI-PDA funding, the MLEI GLEE AM consortium will be able to:

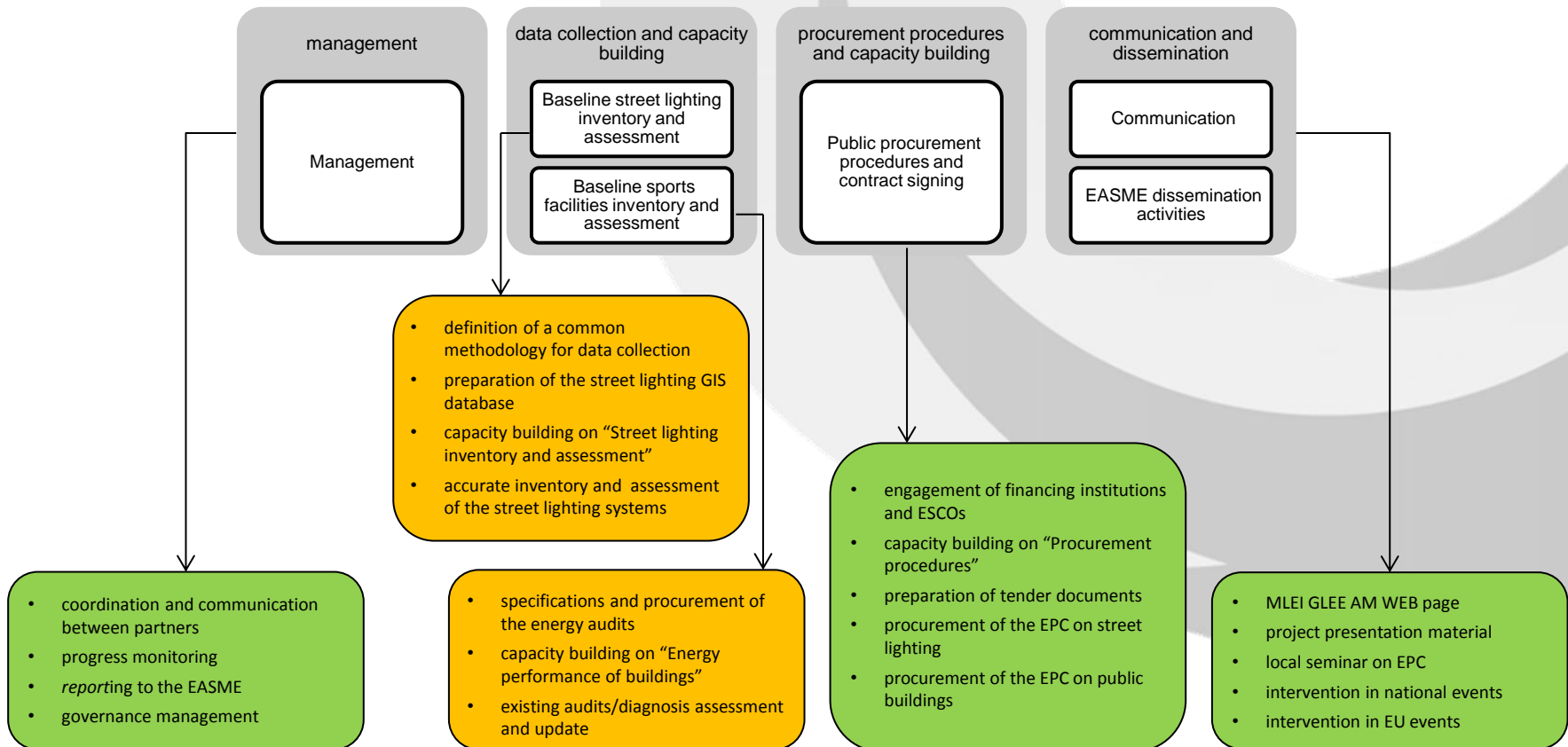
- prepare sustainable energy projects for small-medium municipalities, making them big enough to be considered economically viable;
- create economies of scale;
- overcome the economic and cultural barriers, by defining a common standard approach, resulting in a new way of intervening on street lighting and on municipal buildings through ESCOs;
- generate positive synergies between municipalities, relevant stakeholders and ESCOs;
- influence future markets;
- consolidate/create job opportunities.

## Major outputs & expected impacts

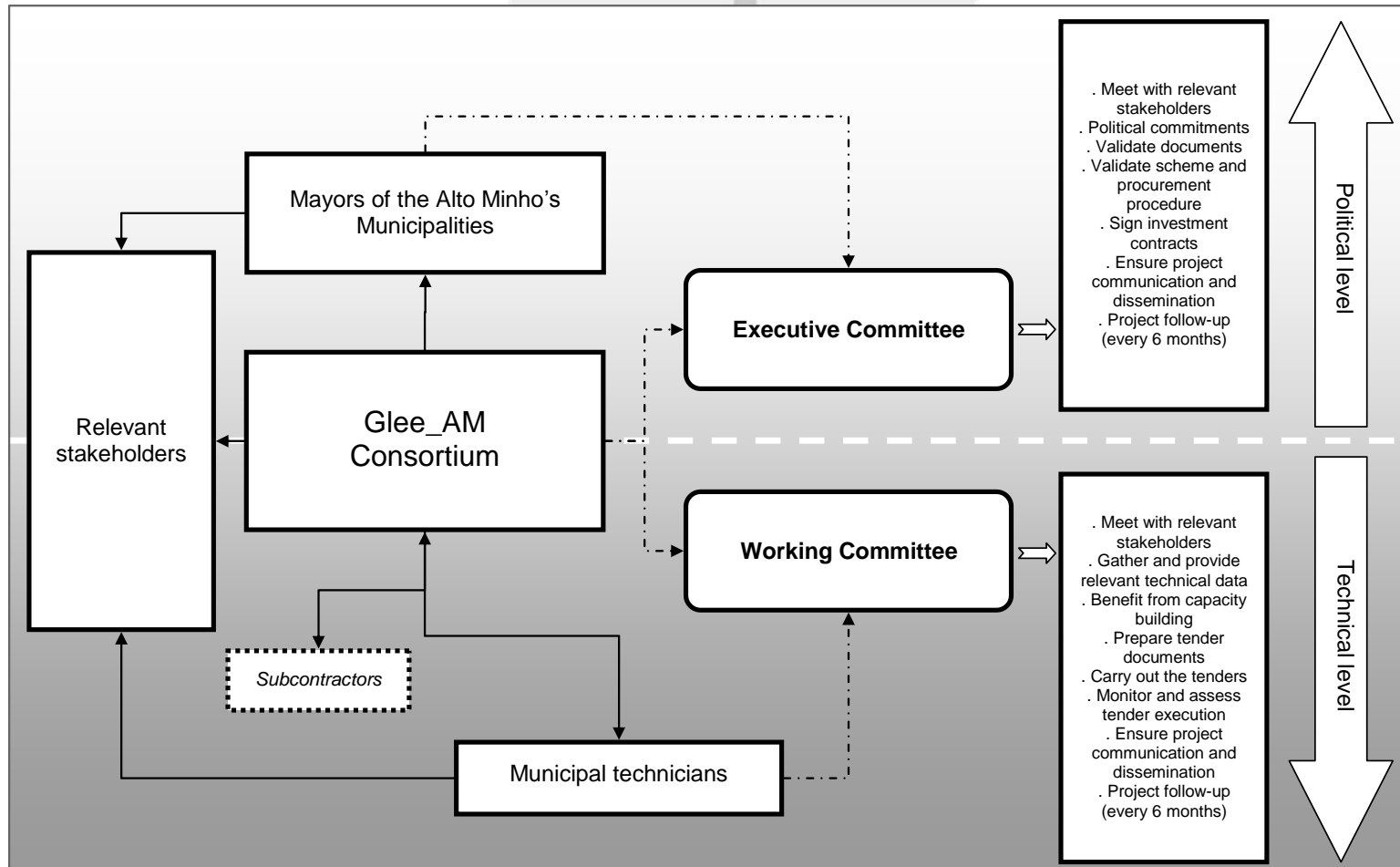
Through the MLEI GLEE AM project the consortium intends to:

- create a common methodology for street lighting assessment, georeferencing and monitoring;
- carry out an accurate georeferenced inventory and assessment of Alto Minho's street lighting;
- create a common methodology for municipal public buildings' energy consumption assessment and management;
- fill-in the gaps of information which currently exist in terms of energy audits/diagnosis in municipal buildings;
- define technical/economical parameters useful to prepare the relevant documentation for the tendering procedures;
- carry out public procurement procedures and, subsequently, sign investment contracts;
- activate energy performance contracts with Result Guarantees favourable to the 10 municipalities through ESCOs;
- promote capacity building of the core stakeholders in order to ensure that future energy investments may be carried out as a continuation of the proposed action;
- implement communication and dissemination campaigns of the adopted methodology;
- effectively contribute to reduce the municipalities' energy consumption – thus, their energy bills - and inspire others to do the same;
- contribute to the fulfilment of the Alto Minho's Municipalities' Covenant of Mayors' commitments.

## Schematic representation of the work programme



## Governance of the project



## Financing scheme

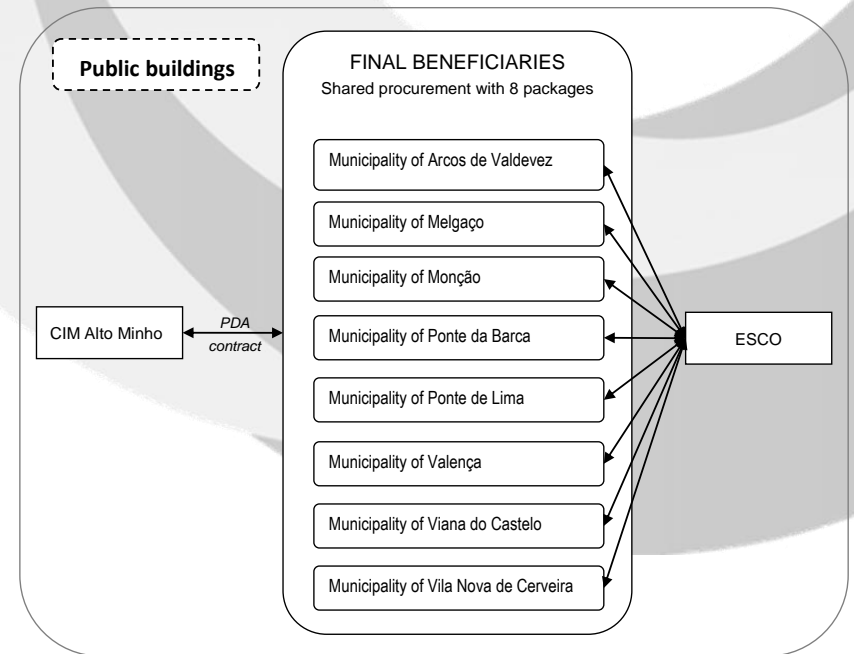
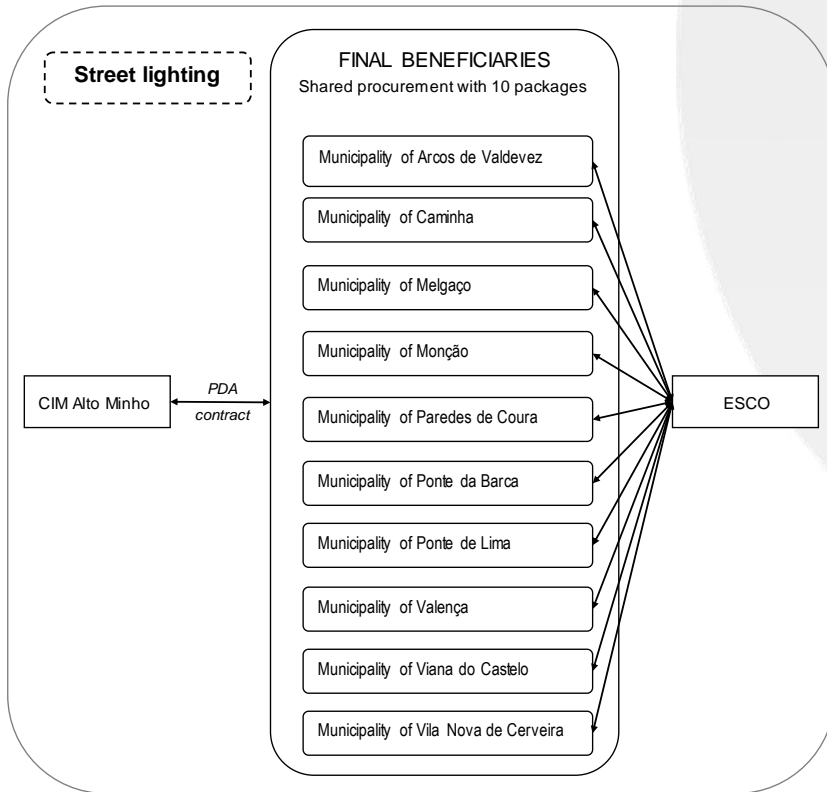
The investments foreseen in the MLEI GLEE AM project will be based on the Energy Performance Contracting model (regulated by Decree-Law No. 29/2011 of 28th February).

Under an Energy Performance Contracting (EPC) the service provider (i.e. an energy service company or ESCO) delivers energy efficiency improvements by financing the upfront investment costs and refinancing this through the savings achieved. Normally this means that the ESCO is not paid unless the savings (financial or otherwise) that have been forecast by the energy improvements are realised. Should the ESCO's work not realize the forecast savings, it may have to pay the client those unrealised savings. Energy performance contracting can thus be seen as a financial instrument for improving energy efficiency without up-front capital cost to be invested by the client, in this case, the municipalities.

Accordingly, during the implementation of the MLEI GLEE AM project it is the consortium intention, via a tendering process, to bring in the services of an established and qualified ESCO and celebrate "Guaranteed Energy Savings" Performance Contracts favourable to the Alto Minho's Municipalities (i.e. obligating the ESCO to pay the difference if at any time the savings fall short of the guarantee).



## Procurement process



## Summary

|  |  |
|--|--|
| Total proposed energy investment cost  | 6.912.950,88€  |
| Total of eligible costs for the PDA  | 400.049,00€  |
| Leverage factor  | 17,28  |
| Are the investments prioritised in a Sustainable Energy Action plan (or similar) | Yes  |
| Territory (geographical zone) in which the investments will be implemented       | Alto Minho   |
| Population concerned   | 244.149  |
| Please indicate the NUTS2 and NUTS3 code   | PT11 - Norte<br>PT111 - Minho-Lima   |
| Please indicate the LAU1 or 2 codes  | PT1111601 - Arcos de Valdevez<br>PT1111602 - Caminha<br>PT1111603 - Melgaço<br>PT1111604 - Monção<br>PT1111605 - Paredes de Coura<br>PT1111606 - Ponte da Barca<br>PT1111607 - Ponte de Lima<br>PT1111608 - Valença<br>PT1111609 - Viana do Castelo<br>PT1111610 - Vila Nova de Cerveira |
| Is your project located in a convergence region?                                 | Yes  |
| Foreseen duration of the project   | 36 months  |



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## Contacts

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